

APPENDIX VI-7
ESTABLISHING AN ACH ACCOUNT FOR THE
COLLECTION OF GINNIE MAE GUARANTY FEES

Applicability: Ginnie Mae I MBS Program only.

Each issuer must designate and maintain a bank account at a depository institution that it has established as the Ginnie Mae I guaranty fee payment account. Further, each issuer, with respect to the guaranty fee payment account, must authorize Ginnie Mae's agent, The Chase Manhattan Bank, to automatically debit the account monthly. Such authorization is provided by submitting the The Chase Manhattan Bank ACH Debit Authorization (copy attached) to The Chase Manhattan Bank at the address given below.

The depository institution must be either a member of an automated clearing house (ACH) or a correspondent of an ACH member. The Chase Manhattan Bank must be able to debit the guaranty fee collection account through an ACH transaction. Issuers are expected to establish or designate a corporate account at their bank for this purpose. The Ginnie Mae II central P&I account may also be used, or the account may be a separate account established for this purpose, but in any case The Chase Manhattan Bank must receive authorization from the Ginnie Mae issuer to debit the account. A change of accounts must be similarly authorized.

Once the ACH debit account is established, issuers will be required to report the total amount of Ginnie Mae's guaranty fees monthly to The Chase Manhattan Bank. The reports will be made via telephone, in the manner described below, between the twentieth calendar day of the reporting month and the second business day of the following month (the payment month).

Once each month the issuer must deposit in the guaranty payment account, no later than the tenth day of the payment month (Collection Date), "same day funds" or "good funds" equal to the amount needed to pay Ginnie Mae guaranty fees. The Chase Manhattan Bank, through an ACH transaction, will debit the issuer's account on the Collection Date each month in the amount necessary to pay Ginnie Mae, as reported to the automated telephone reporting system.

Prior to the first regular monthly ACH debit the issuer must arrange with The Chase Manhattan Bank for an ACH test debit. The test debit must be conducted prior to the first calendar day of the month in which the first regular monthly ACH debit will occur. The ACH test debt is a zero balance transaction conducted by The Chase Manhattan Bank to verify that the account is properly established.

ACH authorization can be processed and the ACH test debit can be arranged by forwarding your request for ACH authorization and your test debit, by courier or by mail, to The Chase Manhattan Bank at:

Government National Mortgage Association
c/o The Chase Manhattan Bank
Attention: Ginnie Mae Relationship Services
Room 506
55 Water Street
New York, NY 10041

Timing of Monthly Debit

The Chase Manhattan Bank will process the ACH debit for the Ginnie Mae guaranty fee prior to 4:00 pm New York City Time on the 10th calendar day each month. If the 10th calendar day is not a business day, the applicable date is the first business day following the 10th.

DESCRIPTION OF THE GUARANTY FEE AUTOMATED REPORTING SYSTEM

Issuers are required to report prior to 7:00 p.m., eastern time, of the second business day of the collection month, the amount of Ginnie Mae I Guaranty Fees due Ginnie Mae.

A computerized voice reporting system will be used for the receipt of the Ginnie Mae I Guaranty Fee Collection (GPC) report from the issuers each month.

The Chase Manhattan Bank will have dedicated telephone lines for Ginnie Mae I issuers to report their Guaranty Fee amounts. Issuers will have access to the Guaranty Fee collection system by using a touch tone telephone.

The telephone number for these reports is: (212) 425-8030.

After being welcomed to the Ginnie Mae I Guaranty Fee Reporting System, the issuer will receive a voice prompt with instructions to key enter the following information using the touch tone telephone.

1. Ginnie Mae Issuer Identification Number (10 digit number)

- A. 0783 (Identifies the Ginnie Mae I Program), Issuer's 4 digit Ginnie Mae Identification Number, and a 1 digit check digit number in the form 0783__ _A_

Note: This is the same identification number currently being used by the issuers to report their Remaining Principal Balances (RPB's) to the RPB Contractor.

- B. The identification number will be verified and, if it is invalid, the issuer will be asked to re-key the number.
- C. If the identification number continues to be invalid after three (3) attempts, the issuer will be instructed to call The Chase Manhattan Bank personnel at a different telephone number that will be provided.
- D. If the identification number is valid, a voice prompt from the automated system will instruct the issuer to enter the Ginnie Mae I Guaranty Fee amount in dollar and cents.

2. Guaranty Fee Dollar Amount

- A. The Guaranty Fee dollar and cents amount can be ten (10) digits, and is key-entered without a decimal point. The system will automatically designate the last two digits as the "cents" column.

e.g. If the issuer keys in:

1234567

The system will convert it to:

\$12,345.67

- B. Once the Guaranty Fee amount has been keyed in, the voice reporting system will read back the reported amount to the issuer. It will then ask the issuer to verify that the amount is correct by pressing a *, if correct, and 6 *, if incorrect.
 - C. If the issuer presses 6 *, there will be an option available to correct the amount.
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- D. If the issuer presses 9 * *, a verification number will be given to the issuer. The issuer is asked to write the verification number down each month in the event there is a discrepancy.

The designation of “Y” and the receipt of the verification number concludes the report.

During the Guaranty Fee Collection reporting cycle (20th calendar day of the reporting month through 7:00 p.m. on the 2nd business day of the payment month), the issuer will have the opportunity to change the previously reported Guaranty Fee as necessary. The issuer will simply make another telephone call to the Ginnie Mae Guaranty Fee collection system telephone number and provide the corrected amount. The collection system will utilize the last Guaranty Fee amount reported as of the last acceptable business day of the cycle for all further processing.

3. **Collection Process.** The collection of Guaranty Fees will occur on the tenth of each month if the tenth is a business day. If the tenth is not a business day, collection will occur on the first day following the tenth that is a business day.

The Chase Manhattan Bank will create a computer file of the Guaranty Fees reported by the various issuers. The file will be submitted to the automated clearing house (ACH) for collection of funds on the Collection Date.

On the Collection Date the issuer’s account, at the designated bank, will be charged for the amount of Guaranty Fee reported.

4. **Changes of Account.** Should a Ginnie Mae issuer change its ACH bank account, it is required to notify The Chase Manhattan Bank of the change at least 60 days prior to the collection date. Notification of the new ACH collection account is accomplished by providing The Chase Manhattan Bank with a letter of transmittal and a new The Chase Manhattan Bank ACH Debit Authorization. Send new ACH forms to the addresses above.

THE CHASE MANHATTAN BANK**ACH Debit Authorization**

I (We) authorize THE CHASE MANHATTAN BANK to initiate deduction equal to the exact amount of my Ginnie Mae I Monthly Guaranty Fee bill from my checking account listed below, and authorize my bank (named below) to make those deductions from my account.

This authority will remain effective until I have notified THE CHASE MANHATTAN BANK and my bank that the authority should be terminated.

I have the right to stop a deduction by notifying my bank, but understand that a reasonable processing period may be required. If a deduction is made in error, I have the right to be paid immediately by my bank for the amount of the erroneous deduction provided that I notify my bank about the erroneous deduction within 15 days after my account statement is issued or 45 days after the deduction was made, whichever occurs first.

Signature _____

Date _____

Issuer No:**Issuer Name:**

Bank
Bank Name
Bank Address
City State Zip Code

Group	Format	Customer, I.D. Number
1015	000	G i n n i e M a e

15

Field Code	Account Name
01	

Field Code	Bank I.D. Number	Account Number	Amount
04			NOT APPLICABLE

Field Code	
10	

How to read the bank and account numbers from your check

Your Bank Number falls between the |: and |: markings.

Your complete Account Number falls between the second |: and ||: markings.
The Bank Number and Account Number on the authorization form would be complete for the sample check as follows

Bank Number
1 2 3 4 5 6 7 8 9

Account Number
0 2 2 9 9 9-9 9 9 9 9 9
Hyphens should be entered, but spaces should not be included.

Name	_____ 19 _____	0324
Pay to the order of _____ \$ _____		
Bank		
Memo _____		
:123456789 : 022999-9999999 :0324		

PLEASE PLACE A VOIDED CHECK OR SAVINGS DEPOSIT SLIP

Identifying your number can be difficult. Therefore, please attach a voided or canceled check in the space provided above, so we can verify this information.